



# COVID-19 economic stimulus FAQ

## Background

The coronavirus economic stimulus package announced by the Australian Government provides income support measures for individuals and financial support for businesses. The following FAQ will provide information on the economic stimulus and measures available in the external territories in response to COVID-19, as well as providing sources for further detail.

*Further information about the Economic Response is available on the Treasury website:*

<https://treasury.gov.au/coronavirus>

## COVID-19 Stimulus measures delivered by the Australian Tax Office (ATO):

The ATO is responsible for delivering a number of COVID-19 stimulus measures:

- The JobKeeper scheme
- Cash flow boost
- Early release of superannuation
- Increasing the instant asset write off threshold
- Administrative arrangements are also available for taxpayers having trouble meeting their tax obligations.

The information provided in this fact sheet is a guide to assist you with matters relating to these measures. More in-depth information is available at [COVID-19 | Australian Taxation Office](#)

## The JobKeeper Payment

The JobKeeper scheme is available to Australian employers to enable them to continue paying employees.

If you are an eligible employer, you can choose to participate in the scheme. If you decide to participate you must nominate all your eligible employees, and pay those employees at least the minimum of \$1,500 per fortnight. You cannot choose to nominate only some of your eligible employees. Employees will then nominate you as the employer to receive the payment (which is important if they have more than one employer).

You can enrol for the JobKeeper scheme through the ATO's Business Portal, in ATO online services using myGov if you are a sole trader, or through a registered tax or BAS agent.

Instructions on how to apply for the JobKeeper Scheme can be accessed from the link below.

<https://www.ato.gov.au/general/jobkeeper-payment/employers/enrol-and-apply-for-the-jobkeeper-payment/>

## What is the JobKeeper application process?

The Australian Taxation Office (ATO) is responsible for administering the JobKeeper scheme. To access the scheme, employers must:

1. determine eligibility under the scheme (<https://www.ato.gov.au/general/jobkeeper-payment/employers>)
2. determine which employees are eligible to be included in the scheme (<https://www.ato.gov.au/General/JobKeeper-Payment/Employers/Your-eligible-employees/>)
3. enrol and apply for the JobKeeper scheme via the ATO Business Portal and myGovID
4. continue to pay employees
5. submit a monthly JobKeeper Declaration Report reconfirming reported eligible employees have not changed and that staff have been paid.

Employers will not be required to retest reported fall in turnover to continue to receive JobKeeper payments.

## What are the eligibility requirements for the JobKeeper payment for employers?

You need an ABN to be eligible for the JobKeeper payment. Generally, an ABN must have been held on 12 March 2020 for a business to be eligible. However, flexibility has now been incorporated into the scheme to allow businesses, including those which operate in the external Territories of Australia such as Norfolk Island, further time to apply for an ABN.

Employers are eligible for the JobKeeper payment if all of the following apply:

- On 1 March 2020, you carried on a business in Australia or were a not-for-profit organisation that pursued your objectives principally in Australia
- You employed at least one eligible employee on 1 March 2020
- Your eligible employees are currently employed by your business for the fortnights you claim for (including those who are stood down or re-hired)
- Your business has faced either a
  - 30% fall in turnover (for an aggregated annual turnover of \$1 billion or less)
  - 50% fall in turnover (for an aggregated annual turnover of more than \$1 billion)
  - 15% fall in turnover (for ACNC-registered charities other than schools).

The fall in turnover calculation is based on GST turnover. If you are not required to register for GST, the basic test can still apply using sales or services that would have been subject to GST if it applied.

If you are not registered for GST, you can work out your GST turnover, or your projected GST turnover, in the same way by including any sales you made during the test period and any sales that you expected to make. Your GST turnover for the comparison period will include any sales that you did make during that period. You may work out your GST turnover by referring to information and records about your sales which you relied on in preparing your income tax return for the 2018-2019 year.

To work out the turnover for the start of the scheme you can either compare the GST turnover for March 2020 or April 2020 with the GST turnover for March 2019 or April 2020 respectively. You can also use the projected GST turnover for the quarter 1 April 2020 to 30 June 2020 with the quarter starting April 2019 (you can still qualify at a later time).

### Example - determining fall in turnover

ABC Resort provides serviced apartments on Norfolk Island and has an aggregated annual turnover of less than \$1 billion. In April 2019, room occupancy was at 90%. Due to the travel restrictions, ABC will not have any rooms occupied in April 2020. Comparing the projected turnover for April 2020 with the turnover in April 2019, ABC Resort determines that they will have a fall in turnover of at least 30% or more, which will satisfy the fall in turnover test.

For businesses like shops, that provide essential services that are still operating and have a reduced turnover, you could compare sales between April 2019 and projected sales for April 2020. When calculating turnover for an entity that operates two or more businesses, the turnover from each business is combined.

You will need to keep a record of how you calculated the reduction in turnover.

More information regarding business eligibility can be accessed from the link below.

[JobKeeper Payment | Australian Taxation Office](#)

### Employee eligibility

Eligible employees are employees who:

- are currently employed by the eligible employer (including those stood down or re-hired)
- were employed by the employer at 1 March 2020
- are full-time, part-time, or long-term casuals (a casual employed on a regular and systemic basis for longer than 12 months as at 1 March 2020)
- are a permanent employee of the employer, or if a long-term casual employee, not a permanent employee of any other employer
- are at least 16 years of age at 1 March 2020
- are an Australian resident
- hold a permanent visa, or a Special Category (Subclass 444) Visa Holder or were a resident for Australian tax purposes as at 1 March 2020
- are not in receipt of a JobKeeper Payment from another employer
- were not in receipt of any of these payments during the JobKeeper fortnight
  - government parental leave or Dad and partner pay under the Paid Parental Leave Act 2010
  - Australian worker compensation payment for an individual's total incapacity for work.

### What if I have multiple jobs?

- As an employee, you can choose which employer you want to claim the JobKeeper payment for you if you are eligible with more than one employer. You can only choose one employer. If you are a long-term casual but also have a permanent employer, you can only choose a permanent employer.
- Let your chosen employer know that you want them to claim the JobKeeper payment for you using the JobKeeper employee nomination notice.
- Let the other employers know you have nominated a different employer for the JobKeeper payment.

If you run a business, but are also a permanent employee, you cannot nominate to be an eligible business participant of that business. <https://www.ato.gov.au/General/JobKeeper-Payment/Employees/>

## JobKeeper payment for eligible business participants

If you are a director or a shareholder of a company, a partner in a partnership, or an adult beneficiary of a trust, you may be able to claim the JobKeeper payment as a [business participant](#), provided you meet the eligibility requirements. This is limited to one entitlement for each entity even if there are multiple participants. There are some requirements you need to meet to be able to claim the JobKeeper Payment as an eligible business participant. <https://www.ato.gov.au/General/JobKeeper-Payment/Sole-traders-and-other-entities/>

## How do I apply for the JobKeeper payment?

Instructions on how to apply for the JobKeeper payment can be accessed from the link below.

<https://www.ato.gov.au/general/jobkeeper-payment/employers/enrol-and-apply-for-the-jobkeeper-payment/>

## Extension of time to enrol for the JobKeeper scheme

The Commissioner has extended the time to enrol for the initial JobKeeper periods from 30 April 2020 until 31 May 2020.

If you enrol by 31 May, you will still be able to claim for the fortnights in April and May, provided you meet all the eligibility requirements for each of those fortnights. This includes having paid your employees by the appropriate date for each fortnight.

For the first two fortnights (30 March – 12 April, 13 April – 26 April), we will accept the minimum \$1,500 payment for each fortnight has been paid by you even if it has been paid late, provided it is paid by you by 8 May. If you do not pay your staff by this date, you will not be able to claim JobKeeper for the first two fortnights.

## Cash flow boost

The cash flow boost provides temporary cash flow support to small and medium businesses and not-for-profit organisations that:


- employ staff
- have been affected by the economic downturn associated with COVID-19 (novel coronavirus).

Eligible businesses and not-for-profit (NFP) organisations will receive between \$20,000 to \$100,000 in cash flow boost amounts by lodging their activity statements up to the month or quarter of September 2020.

The cash flow boosts will be delivered as credits when you lodge your activity statement, and will generally be equivalent to the amount withheld from wages paid to employees for each monthly or quarterly period from March to June 2020.

## Eligibility

- Businesses and NFP organisations will be eligible to receive the cash flow boost if:

- 
- You are a small or medium business with an aggregated annual turnover less than \$50 million, or are a NFP of equivalent size.
  - You hold an ABN. Generally, an ABN must have been held on 12 March 2020 for a business to be eligible. However, flexibility has now been incorporated into the scheme to allow businesses, including those which operate in the external Territories of Australia such as Norfolk Island, further time to apply for an ABN and remain eligible for the cash flow boost.
  - You made payments to employees subject to PAYGW withholding (even if the amount you withheld is zero), such as
    - salary and wages
    - director fees
    - eligible retirement or termination payments
    - compensation payments
    - voluntary withholding from payments to contractors.
  - You have lodged, on or before 12 March 2020, either
    - a 2018–19 income tax return showing that you had an amount included in your assessable income in relation to you carrying on a business.
    - an activity statement or GST return for any tax period that started after 1 July 2018 and ended before 12 March 2020 showing that you made a taxable, GST-free or input-taxed sale.

If your business meets the eligibility requirements above, you will automatically get the employer boost as a credit when you lodge your monthly or quarterly PAYGW activity statement.


You will not be disadvantaged if you:

- do not have an ABN
- are not required to be registered for GST, or
- have not lodged your 2018–19 tax return because it is not yet due.

However, you cannot receive your cash flow boost credit until you provide the ATO with enough information to satisfy the eligibility criteria. The following link has more information on how to provide us with information about your eligibility. [https://www.ato.gov.au/Business/Business-activity-statements-\(BAS\)/In-detail/Boosting-cash-flow-for-employers/?page=1#Impact\\_of\\_lodgment\\_deferrals](https://www.ato.gov.au/Business/Business-activity-statements-(BAS)/In-detail/Boosting-cash-flow-for-employers/?page=1#Impact_of_lodgment_deferrals)

## Expanding the instant asset write-off

The instant asset write-off threshold has been increased from \$30,000 to \$150,000 and access expanded to include businesses with aggregated annual turnover of less than \$500 million (up from \$50 million). This applies from 12 March 2020 until 30 June 2020, for new or second-hand assets first used or installed ready for use in this timeframe.



Eligibility to use instant asset write-off depends on:

- your aggregated turnover (the total ordinary income of your business and that of any associated businesses)
- the date you purchased the asset
- the date it was first used or installed ready for use
- the cost of each asset being less than the threshold.

For more information about the expanded instant asset write off see,

<https://www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/Simpler-depreciation-for-small-business/Instant-asset-write-off/>

## Early release of superannuation

If you have been financially affected by COVID-19, you may be able to access some of your superannuation early. Eligible citizens and permanent residents of Australia or New Zealand can apply for up to:

- \$10,000 in 2019–20 and
- a further \$10,000 in 2020–21.

Eligible temporary resident visa holders can access up to \$10,000 in 2019-20.

For more information on eligibility and how to apply go to COVID-19 early release of super | Australian Taxation Office.

## FAQs

### What is an Australian Business Number (ABN)?

The ABN is a unique 11-digit number that identifies your business or organisation to the Government or community.

### Do I need an ABN?

You need an ABN to be eligible for the cash flow boost and the JobKeeper payment.

Generally, an ABN must have been held on 12 March 2020 for a business to be eligible. However, flexibility has now been incorporated into the scheme to allow businesses, including those which operate in the external Territories of Australia such as Norfolk Island, further time to apply for an ABN. If you are not sure if you have an active ABN you can use the [ABN lookup](#) tool.

### How do I apply for an ABN?

Apply or reapply for an ABN using the link below and follow the prompts. There is no need to backdate the ABN application.

<https://www.abr.gov.au/>

## Do I have to register for GST to be eligible for the stimulus?

No. The legislation allows other ways to be eligible for the stimulus measures.

## How can I contact the ATO?

Residents of Norfolk Island can use the phone numbers listed below to call us free of charge. When using these numbers, you should not dial the international country code for Australia (+61). Doing so may incur charges at international rates.

### ATO phone numbers for Norfolk Island residents


Phone number	Nature of enquiry
13 28 61	Individuals
13 28 66	Businesses
13 72 86	Registered tax professionals
13 11 42	Debt enquiries
13 10 20	Super enquiries
1300 130 248	Not-for profit organisations

## COVID-19 measures delivered by Services Australia and other Government agencies:

### What other supports are available?

Some examples of **income support** provided by the Australian Government include:

1. The creation of a new coronavirus supplement of \$550 per fortnight. The \$550 will be paid on top of normal payments received by recipients of Jobseeker Payment, Youth Allowance Jobseeker, Parenting Payment, Farm Household Allowance and Special Benefit. For example, a single parent receiving a maximum fortnightly payment of \$612 through Jobseeker could apply to receive the \$550 coronavirus supplement and potentially take home \$1,162 a fortnight.
2. Two separate payments of \$750 for individuals already receiving income support and eligible concession card holders. The first payment will be made from 31 March 2020 and the second payment will be made from 13 July 2020.
3. Reducing deeming rates by a further 0.25 percent points to increase the amount of money age pensioners will receive. Deeming rates are used for the pension income assessment and determine how much money individuals receive.



**Other support for businesses** announced by the Australian Government includes supporting apprentices and trainees by providing employers with a wage subsidy of 50 per cent of the apprentice's or trainee's wage for up to nine months from 1 January 2020 to 30 September 2020.

### What if I am already receiving welfare support?

**Carers** – If you are not affected by coronavirus, your payments will not change.

**Older Australians Payments** – If you receive an older Australian's payment from Services Australia there are no changes to your payment due to coronavirus.

**Rural and Remote** - You may get the Coronavirus Supplement from late April 2020. You will be paid this as part of your normal payment. You may also get the first Economic Support Payment. It will be paid into your bank account automatically.

You won't get the second Economic Support Payment in July 2020 if you get the Coronavirus Supplement.

**People with disability** - You may get one or both Economic Support Payments from late April 2020. These will be paid into your bank account automatically.

**Job Seekers** - You may get the Coronavirus Supplement from late April 2020. You may also get the first Economic Support Payment. These will be paid into your bank account automatically.

You won't get the second Economic Support Payment in July 2020 if you get the Coronavirus Supplement.

**Students and Trainees** - You may get the Coronavirus Supplement from late April 2020. You may also get the first Economic Support Payment. It will be paid into your bank account automatically.

You won't get the second Economic Support Payment in July 2020 if you get the Coronavirus Supplement.

Students will continue to get the student payment if they remain enrolled in their course, and plan on returning to study. Even if one of the following apply:

- you're self-isolated at home
- your education provider temporarily closes or reduces your study load.

**Families** - If you get Family Tax Benefit you may get one or both Economic Support Payments. These will be paid into your bank account automatically.

If you get Parenting Payment you may get the Coronavirus Supplement from late April 2020. It will be paid as part of your normal payment. You may also get the first Economic Support Payment. This will be paid into your bank account automatically.

You won't get the second Economic Support Payment in July 2020 if you get the Coronavirus Supplement.

### Subclass 159 visa holders

If you hold a 159 visa and require assistance, please contact [norfolkisland@anglicare.org.au](mailto:norfolkisland@anglicare.org.au) or phone 22232.



## Is the Early Childhood education and care relief package available on Island?

The early childhood education and care relief package is available to the Norfolk Island community. This will provide Banyan Park with 50 per cent of childcare fees up to 28 June for eligible families. Families will not be charged childcare fees during this time. Further information can be found at <https://www.dese.gov.au/covid-19/childcare>.

## Where can I get more information

The Administrator is working closely with the Australian Government to ensure assistance is available to Norfolk Island residents, in the same form as it is to other Australian residents.

For further information, please contact your on-Island Services Australia agent -

Norfolk Island Business Solutions

Phone: 22368 (between 0900 and 1300 Monday to Friday)

Email: [belinda@businesssolutions.nf](mailto:belinda@businesssolutions.nf)

Additionally, for income support measures visit: <https://www.servicesaustralia.gov.au/>

Business support measures: <https://www.business.gov.au/Risk-management/Emergency-management/Coronavirus-information-and-support-for-business>